

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR
PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, *et al.*,

Debtors.¹

PROMESA
Title III

No. 17 BK 03283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR
PUERTO RICO,

as representative of

THE EMPLOYEES RETIREMENT
SYSTEM OF THE COMMONWEALTH OF
PUERTO RICO (“ERS”),

Debtor.

PROMESA
Title III

No. 17 BK 03566-LTS

**INFORMATIVE MOTION REGARDING THE MOTION OF UBS FINANCIAL
SERVICES INCORPORATED OF PUERTO RICO FOR RELIEF FROM
AUTOMATIC STAY AND AGREED TO ORDER**

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481); (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808); (iv) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); (v) Puerto Rico Electric Power Authority (Bankruptcy Case No. 17-BK-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (Bankruptcy Case No. 19-05523 (LTS)) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as bankruptcy case numbers due to software limitations).

To the Honorable United States District Court Judge Laura Taylor Swain:

On December 11, 2019, the Court heard argument on UBS Financial Services Incorporated of Puerto Rico's ("UBS Financial") *Motion of UBS Financial Services Incorporated of Puerto Rico for Relief From the Automatic Stay* (Dkt. No. 8823, the "Motion"). Attached as Exhibit 1 is a revised form of order (the "Order") to resolve the Motion. The Order incorporates the terms presented to the Court and agreed to by all parties on the record at the December 11, 2019 hearing. The Order has been shared with counsel to the Financial Oversight and Management Board, acting through its Special Claims Committee (the "Oversight Board") and counsel to the individual named plaintiffs in *Administración de los Sistemas de Retiro de los Empleados del Gobierno y la Judicatura de Puerto Rico v. UBS Fin. Servs. Inc. of Puerto Rico*, Civ. No. KAC-2011-1067 (803) (the "ERS Action"). All parties respectfully request that the Court enter the Order at the Court's convenience.

Respectfully Submitted:

In San Juan, Puerto Rico, this 12th day of December, 2019.

OF COUNSEL:

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EXHIBIT 1

Agreed to Form of Proposed Order

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR
PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO
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Debtors.¹

PROMESA
Title III

No. 17 BK 03283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR
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THE EMPLOYEES RETIREMENT
SYSTEM OF THE COMMONWEALTH OF
PUERTO RICO (“ERS”),

Debtor.

PROMESA
Title III

No. 17 BK 03566-LTS

**[PROPOSED] ORDER GRANTING LIMITED RELIEF FROM THE AUTOMATIC
STAY TO FILE COUNTERCLAIMS**

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481); (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808); (iv) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); and (v) Puerto Rico Electric Power Authority (Bankruptcy Case No. 17-BK-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as bankruptcy case numbers due to software limitations).

Upon consideration of the *Motion of UBS Financial Services Incorporated of Puerto Rico for Relief From the Automatic Stay* (Dkt. No. 8823) (the “Motion”) and all related filings; adequate notice having been given to all relevant parties; objections to the requested relief having been withdrawn or overruled on the merits; and the Financial Oversight and Management Board, acting through its Special Claims Committee (the “Oversight Board”) having consented to the relief requested to the extent provided herein; for good cause shown, it is hereby

ORDERED that:

1. The Motion is GRANTED as set forth herein.
2. Pursuant to Bankruptcy Code section 362, made applicable by PROMESA section 301(a), the automatic stay is hereby lifted solely to allow UBS Financial Services Incorporated of Puerto Rico (“UBS Financial”) to present its proposed counterclaims in *Administración de los Sistemas de Retiro de los Empleados del Gobierno y la Judicatura de Puerto Rico v. UBS Fin. Servs. Inc. of Puerto Rico*, Civ. No. KAC-2011-1067 (803) (the “ERS Action”), without waiver of, and subject to, any and all defenses. The Commonwealth Court shall have the sole discretion as to any procedural requirements for presenting the counterclaims and as to any litigation of the counterclaims in that court.
3. The automatic stay will, as a matter of law, stay further prosecution and defense of the proposed counterclaims upon their filing in the ERS Action. This reimposition of the automatic stay is without prejudice to UBS Financial's right to seek further stay relief from this Court, and UBS Financial reserves all rights to seek further stay relief in its sole discretion.
4. For the avoidance of doubt, nothing in this Order shall prevent the Oversight Board, the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), UBS Financial, or the filing parties to the Objection of the Individual Plaintiffs Retirees and

Beneficiaries of the ERS Trust to the *Motion of UBS Financial Services Incorporated of Puerto Rico for Relief From Automatic Stay* (Dkt. 9341) from seeking or agreeing to further relief, and the parties reserve all rights to do so.

5. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

6. A copy of this Order shall be entered on the docket in the ERS Action by UBS Financial and served on all appropriate parties to the ERS Action.

7. The parties reserve all rights and defenses.

8. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

9. This Order resolves Docket Entry No. 8823.

Dated: _____, 2019

Honorable Laura Taylor Swain
United States District Judge